

**WILLMAR CITY COUNCIL PROCEEDINGS**  
**COUNCIL CHAMBERS**  
**WILLMAR MUNICIPAL UTILITIES BUILDING**  
**WILLMAR, MINNESOTA**

December 15, 2003  
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Proposed additions to the agenda included an announcement regarding the University of Minnesota Southern Minnesota Health Education Center.

The YMCA Youth in Government item was deleted from the agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of December 1, Municipal Utilities Commission Minutes of December 8, Rice Hospital Board Minutes of December 9, Pioneerland Library Board Minutes of October 16, Building Inspection Report for November, Housing Redevelopment Authority Minutes of November 18, Community Education and Recreation Board Minutes of November 21, and Senior Council Minutes of December 3 and December 10, 2003; and Mayoral reappointments: Airport Commission – Ted Anderson, Pioneerland Library Board – Eric Wieberg, Planning Commission – Jeff Nagel and Ken Warner, and Board of Zoning Appeals – Ron Erpelding. Council Member Chapin seconded the motion, which carried.

At 7:05 p.m. Mayor Heitke opened a hearing on a currency exchange license application for Wal-Mart Stores Inc., dba Wal-Mart Store #1470. There being no one present to speak for or against the proposed license, Mayor Heitke closed the hearing at 7:06 p.m.

Council Member Christianson moved to approve the currency exchange license for Wal-Mart Stores, Inc. Council Member Reese seconded the motion, which carried.

Mayor Heitke recognized Al Erickson and Nick Dragisich, representing Springsted, Inc., who presented details of the negotiated sale of bonds. The \$1,410,000 General Obligation Waste Treatment Plant Revenue Bonds, Series 2004A sold to the low bidder of United Bankers Bank for a true interest rate of 3.7359 percent. Mr. Erickson noted that Moody's Investors Service has rated the City of Willmar an A2 rating due to good, sound fiscal management and high reserves.

Following discussion, Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

ACCEPTING OFFER ON SALE OF \$1,410,000 GENERAL OBLIGATION  
WASTE TREATMENT PLANT REVENUE BONDS, SERIES 2004A  
AND PROVIDING FOR THEIR ISSUANCE

(For Resolution in its entirety, see Council proceedings file dated  
December 15, 2003, located in the City Clerk's Office)

Mayor Heitke acknowledged that no one had signed up to address the City Council during its scheduled Open Forum.

The Finance Committee Report for December 8, 2003, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 The Committee reviewed a proposed calendar for the Local Option Sales Tax, which involves working with local Legislators to introduce a bill to the House/Senate, developing promotional materials for the public, and the preparation of the referendum question for the November 2, 2004, General Election. It was noted that if the referendum is approved the tax would begin on or about April 1, 2005.

The Committee was recommending the Council approve the Willmar Local Option Sales Tax project calendar as presented. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 2 The Committee conducted its annual review of the City's Investment Policy. Following discussion of Section 11.0, "Diversification," the Committee was recommending the Council introduce a Resolution approving the City's Investment Policy with minor language changes to Section 11.0,

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the Willmar City Council to amend the City of Willmar Investment Policy, Section 11.0, titled "Diversification" to add the following language:

The City will diversify its investments by security type and institution. No more than 40% of the City's total investment portfolio will be invested in a single security type or with a single financial institution or broker/dealer on the day of purchase.

Dated this 15<sup>th</sup> day of December, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 The Committee discussed the City's present policy of approving donations of

\$1,000 or more by Council resolution. It was the consensus of the Committee to increase the amount from \$1,000 to \$5,000 for the purposes of approving grant application requests.

The Committee was recommending the Council increase the amount of donations/grants requiring prior Council action from \$1,000 to \$5,000. Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

### RESOLUTION NO. 3

BE IT RESOLVED by the Willmar City Council that a level of \$5,000 be set as the amount requiring prior approval for staff to prepare and apply for various grants and donations.

Dated this 15<sup>th</sup> day of December, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee considered a request from Staff to appropriate \$500 from Buildings and Grounds Donation into Public Works for the purchase of flags. It was noted these funds were a donation from the VFW Post #1639 for the purpose of purchasing flags.

The Committee was recommending the Council introduce a Resolution transferring funds as requested. Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

### RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the General Fund Budget as follows.

Increase:	Donations	\$ 500.00
Increase:	Flag Purchase	\$ 500.00

Dated this 15<sup>th</sup> day of December, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 The Committee reviewed the following reports: November WRAC-8 and CVB. This matter was for information only.

Item No. 6 The Committee reviewed the 2004 sanitation services and towing requirement quotes noting that the low bidders were West Central Sanitation and Ed's Service Center respectively. This matter was for information only.

Police Chief Kulset reviewed with the Committee a memorandum regarding administrative tow fees explaining related costs and revenue. Chief Kulset was recommending an increase in the

towing fee to offset increases in the 2004 quote for services.

Following discussion, the Committee was recommending the Council introduce a Resolution setting the administrative fee for towing at \$90.00. Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 1 – Council Member Dokken voted “No.”

RESOLUTION NO. 5

WHEREAS, the City Council of the City of Willmar duly establishes fees for service, sets fees for permits and licenses, and establishes rental rates for City equipment.

NOW, THEREFORE, BE IT RESOLVED that the administrative fee for towing services for year 2004 be set at \$90.00.

Dated this 15<sup>th</sup> day of December, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Finance Committee Report for December 8, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon a motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

The Community Development Committee Report was presented to the Mayor and Council by Council Member DeBlieck. There were five items for Council consideration.

Item No. 1 Steve Rambow appeared before the Committee to present a request by the Baseball Booster Stadium Committee to name the new stadium after a major contributor. The Boosters are nearing their \$500,000.00 fundraising goal for the stadium project and hope to use naming rights to achieve their goal.

The Committee was recommending to the Council that the Baseball Boosters Stadium Committee be authorized to name the new stadium in recognition of a contributor of \$100,000.00 or more. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion.

Mayor Heitke recognized Rick Maursetter who presented a brief update on the Baseball Boosters fundraising activities.

Following discussion, Council Member Christianson moved to amend the motion authorizing the City Council to name the new stadium upon the recommendation of the Baseball Stadium Committee. Council Member Chapin seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Staff discussed with the Committee future street development in southeast Willmar. Street development in that part of the City is being driven by land-use development pressure and diminished capacity of existing roadways. The Committee reviewed the implementation plan summary of the Willmar Area Transportation Study. This matter was for information.

Item No. 3 The Committee discussed the matter of imposing limits to replats and various options for dealing with replatting activity. Staff will consult with the City Attorney to see what authorities exist for replatting controls. This matter was for information only.

Item No. 4 Staff provided updates on a variety of projects including the Airport, Menards, Country Inn and Suites, and a variety of smaller commercial and industrial projects. This matter was for information only.

Item No. 5 The Committee meeting was closed to review the terms of the proposed settlement for the acquisition of the Phil Kvam property. This property has been through the condemnation process and an appeal was filed by Mr. Kvam, thereby setting the stage for possible litigation. It was noted the matter had been mediated and a tentative proposed settlement reached.

Council Member DeBlieck referred to the special meeting held prior to the regularly schedule Council meeting and indicated the Council Members present had reached a consensus that the tentative settlement should be approved. Council Member then moved to approve the agreement with Phillip Kvam including the following terms and conditions: 1) Payment of remainder of amount of commissioners award within 30 days of the agreement; 2) Payment to Phillip Kvam of \$46,000 in relocation costs (\$23,000 payable March 30, \$23,000 payable June 30, 2004; 3) 5.3 acres of land on or near former Gregerson Farm parcel with access to State Highway 40 and necessary zoning. City shall determine site by April 30, 2004. If site accepted by Kvam, he shall have the right to build to 120 feet in height immediately. After closing of current airport, Kvam shall have the right to build to 140 feet in height subject to FAA airspace review and City approval, which shall be granted upon favorable FAA review. If site determined by City is not acceptable to Phillip Kvam, the City shall pay Mr. Kvam \$60,000. 4) Mr. Kvam shall be entitled to use parcel W024 until June 30, 2005, without obligation to pay rent; 5) Mr. Kvam has the right of first refusal regarding parcel W024 if airport project is abandoned for \$60,000; 6) Mr. Kvam has right to remove at his expense the two Butler pre-engineered steel buildings on site on or before June 30, 2005. Council Member Reese seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

The Community Development Committee Report for December 10, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member DeBlieck, seconded by Council Member Fagerlie, and carried.

City Clerk Halliday presented to the Mayor and Council for consideration requests for renewal of liquor licenses from the following establishments: On-sale – Applebee's, Blue Heron on the Green, El Tapatio, Green Mill, Grizzly's Grill N' Saloon, SRV Bar & Grill and Vannandy's; and Club On-sale: American Legion Post 167, Fraternal Order of Eagles and VFW Post 1639. Council Member Reese moved to approve the renewal of liquor licenses as presented. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 1 – Council Member Chapin voted "No."

Announcements for Council Committee meeting dates were as follows: Finance, December 22; and Public Works/Safety, December 23, 2003.

Mayor Heitke commented on the impact and benefits of the University of Minnesota Southern Minnesota Health Education Center hosted in Willmar

There being no further business to come before the Council, the meeting adjourned at 7:55 p.m. upon motion by Council Member Christianson, seconded by Council Member Fagerlie, and carried.

Attest:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
SECRETARY TO THE COUNCIL